

Message Text

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PAGE 01 STATE 100932
ORIGIN XMB-04

INFO OCT-01 EUR-12 ISO-00 EB-07 COME-00 CIAE-00 INR-07
NSAE-00 AID-05 /036 R

EXIMBANK

DRAFTED BY XMB: L. M. LAROCHE:EMC
APPROVED BY EB/IFD/ODF:FHThomas
XMB: CLAYTON NORRIS
EUR/SE:RDELABARRE

-----041935Z 128745 /40

R 041444Z MAY 77
FM SECSTATE WASHDC
TO AMEMBASSY ANKARA
INFO AMCONSUL ISTANBUL

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E.O. 11652: N/A

TAGS: EFIN, TU

SUBJECT: EXIM DENIAL OF PETLAS TIRE PLANT PC

1. FOLLOWING FYI AND FOR YOUR USE ON AN IF-ASKED BASIS.
2. EXIMBANK HAS DENIED REQUEST BY AKRON STANDARD (DIV. OF EAGLE PICHER) FOR PRELIMINARY COMMITMENT TO ASSIST IN FINANCING DOLLARS 31 MILLION IN U.S. COSTS OF NEW PETLAS TIRE PLANT AT KIRSEHIR, WITH TOTAL COST OF DOLLARS 186 MILLION,
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INCLUDING DOLLARS 69 MILLION FROM FRANCE. PLANT WOULD HAVE GENERAL TIRE TECHNOLOGY, AND ENGINEERING SERVICES FROM HALE AND KULLGREN, WITH EMS OF FRANCE AS PRIME CONTRACTOR.

3. DENIAL STEMS PRIMARILY FROM BANK'S EXPOSURE, HEAVY DEMAND FOR FINANCING, AND DETERIORATING TURKISH EXTERNAL PAYMENTS SITUATION. THERE IS LIKELY NEED FOR ADDITIONAL TIRE MANUFACTURING CAPACITY DUE TO PROJECTED SHORTFALL OF

SUPPLY BELOW GROWING DEMAND, ALTHOUGH MOST URGENT PRIORITIES FOR NEW INVESTMENT PROBABLY SHOULD BE IN EXPORT-ORIENTED INDUSTRY OR EXPLOITATION OF INDIGENOUS ENERGY AND MINERAL RESOURCES. FAVORABLE FACTORS INCLUDE POSITIVE IMPACT ON U.S. EMPLOYMENT IN DEPRESSED SECTOR AND PRESENCE OF COMPETITION. UNFAVORABLE FACTORS INCLUDE LACK OF DEFINITIVE INFORMATION ON FINANCIAL FEASIBILITY, UNLIKELY

ABILITY TO COMMAND MORE THAN TOKEN UNGUARANTEED PRIVATE SOURCE FINANCING, AND UNLIKELY PROSPECT OF RAPID PROJECT IMPLEMENTATION.

4. FOR FOREGOING REASONS, PROJECT IS CONSIDERED MARGINAL IN LIGHT OF CRITERIA FOR EVALUATION UNDER BANK'S SELECTIVE POLICY. IN FACE OF CURRENT ECONOMIC CONDITIONS, BANK UNABLE TO REACH FAVORABLE DETERMINATION AT THIS TIME.

5. SEPTEL RE IGSAS FERTILIZER PLANT DENIAL.
VANCE

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NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANK LOANS, TIRES, INDUSTRIAL PLANTS
Control Number: n/a
Copy: SINGLE
Sent Date: 04-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE100932
Document Source: CORE
Document Unique ID: 00
Drafter: L. M. LAROCHE-EMC
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770156-1056
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770594/aaaaddfy.tel
Line Count: 81
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 664b8c9a-c288-dd11-92da-001cc4696bcc
Office: ORIGIN XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 07-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2641509
Secure: OPEN
Status: NATIVE
Subject: EXIM DENIAL OF PETLAS TIRE PLANT PC
TAGS: EFIN, TU, US, XMB, PETLAS TIRE PLANT
To: ANKARA
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/664b8c9a-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
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